

REMARKS

By the above amendments, Applicant has amended claims 1-8 and added new claims 11-23. The new claims are supported by the original disclosure and no prohibited new matter has been added. Upon entry of the amendments, claims 1-9 and 11-23 will remain pending in the present application.

In the Office Action¹, the Examiner rejected claims 1-9 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No 5,717,989 to Tozzoli et al. ("*Tozzoli*") in view of U.S. Patent No 6,629,081 to Cornelius et al. ("*Cornelius*"), and further in view of *Forfeiting: What Finance and Accounting Managers Should Know*, by Kendal P Hill and Murat N Tanju ("*Hill*"). For the reasons stated below, Applicant respectfully traverses the rejection and submits that the pending claims are allowable over the prior art of record.

I. Examiner Interview of June 18, 2008

As an initial matter, Applicant thanks Examiner Weis and Examiner Karmis for scheduling the interview with the inventor, Tara Kimbrell Cole and Applicant's representative on June 18, 2008. In addition to the computer-based presentation that was presented by the inventor, the claim rejections and cited prior art were discussed, as reflected in the Examiner Interview Summary of July 10, 2008.

The claim amendments submitted herewith are consistent with the proposed amendments discussed during the interview of June 18, 2008. In addition, Applicant has submitted remarks below that address the deficiencies of the cited prior art and the

¹ The Office Action contains a number of statements reflecting characterizations of the related art and the claims. Regardless of whether any such statement is identified herein, Applicant declines to automatically subscribe to any statement or characterization in the Office Action.

rejection of the claims. For the reasons presented herein, the cited prior art does not teach or suggest a computerized forfeiting exchange or method for operating the same, as set forth in the claims. Accordingly, reconsideration of the rejection and allowance of the pending claims is respectfully requested and believed to be appropriate.

II. Rejection of Claims under 35 U.S.C. § 103(a)

Applicant respectfully traverses the rejection of claims 1-9 under 35 U.S.C. § 103(a) as being unpatentable over *Tozzoli*, in view of *Cornelius*, and further in view of *Hill*. A *prima facie* case of obviousness has not been established.

"The key to supporting any rejection under 35 U.S.C. § 103 is the clear articulation of the reason(s) why the claimed invention would have been obvious . . . [R]ejections on obviousness cannot be sustained with mere conclusory statements." See *M.P.E.P.* § 2142, 8th Ed., Rev. 6 (Sept. 2007). "The mere fact that references can be combined or modified does not render the resultant combination obvious unless the results would have been predictable to one of ordinary skill in the art" at the time the invention was made. *M.P.E.P.* § 2143.01(III), *internal citation omitted*. Moreover, "[i]n determining the differences between the prior art and the claims, the question under 35 U.S.C. § 103 is not whether the differences themselves would have been obvious, but whether the claimed invention as a whole would have been obvious." *M.P.E.P.* § 2141.02(I), *internal citations omitted* (emphasis in original).

"[T]he framework for objective analysis for determining obviousness under 35 U.S.C. § 103(a) is stated in *Graham v. John Deere Co.*, 383 U.S. 1, 148 U.S.P.Q 459 (1966) . . . The factual inquiries . . . [include determining the scope and content of the prior art and] . . . [a]scertaining the difference between the claimed

invention and the prior art.” *M.P.E.P. § 2141(II)*. Office personnel must explain why the difference(s) between the prior art and the claimed invention would have been obvious to one of ordinary skill in the art.” *M.P.E.P. § 2141(III)*.

The pending claims are directed to computerized forfaiting exchange and a method for operating a computerized forfaiting exchange (see, e.g., amended independent claims 1 and 8). As highlighted in the background section of the present application, forfaiting transactions are complex transactions that are not well understood and, often times, easily confused with other types of transactions. A “forfaiting transaction” is the transfer of ownership of a payment obligation (see, e.g., pp. 2-3 of the specification). The payment obligation may arise directly from a bank guarantee in any form (such as a letter of credit) given in the course of an export transaction. Because of the complexity involved with forfaiting transactions, the forfaiting market has not been readily available or open to buy and sellers. Moreover, prior to the present invention, a computerized forfaiting exchange and a method for operating a computerized forfaiting exchange, as set forth in the claims, was neither disclosed nor suggested by the prior art. Indeed, as highlighted during the Examiner interview of June 18, 2008, much of the prior art teaches away from Applicant’s claimed invention.

Tozzoli relates to a computerized trade system that attempts to provide guaranteed funding for transactions between a buyer and a seller. See, e.g., *Tozzoli*, Abstract. The trade system of *Tozzoli*, however, does not relate to forfaiting and does not teach or suggest any type of computerized forfaiting exchange or method for operating a foreforaiting exchange. In fact, *Tozzoli* teaches away from forfaiting transactions and promotes an alternative to forfaiting. See, e.g., *Tozzoli*, col. 1, line 58 -

col. 2, line 51 (referring to FIG. 1 and discussing a conventional international trade involving a letter of credit or "L/C"); col. 2, line 52 - col. 3, line 17 (highlighting the complexities and disadvantages of transactions involving L/Cs); col. 3, lines 33-48 and col. 10, lines 7-24 (asserting the advantages of a trade system with a third party "funder" as an alternative to conventional L/Cs and similar instruments). Accordingly, *Tozzoli* does not teach or suggest a "method for operating a computerized forfaiting exchange to develop forfaiting transactions for settlement" including all of the steps recited in independent claim 1. Moreover, *Tozzoli* fails to teach or suggest a "computerized forfaiting exchange" with all of the elements recited in independent claim 8.

In addition, the "VTrade" system of *Cornelius* does not overcome the deficiencies of *Tozzoli*. In fact, *Cornelius* emphasizes the same disadvantages of using L/Cs as that presented in *Tozzoli*. See, e.g., *Cornelius*, col. 1, lines 12 - col. 2, line 51 and col. 2, lines 52 - col. 3, line 16 (discussing the complexity of international trades and the disadvantages of L/Cs). *Cornelius* also promotes an alternative to forfaiting by asserting the "benefits that the VTrade system offers" over using "the traditional bank letter of credit product." *Cornelius*, col. 9, line 3 - col. 10, line 25. Accordingly, *Cornelius* also teaches away from using payment obligations and forfaiting.

The Examiner alleges, "[i]t would have been obvious . . . to utilize the combined invention of *Tozzoli* and *Cornelius* for forfaiting transactions to take advantage of economic opportunities" (Office Action at page 5). However, as stated above, both *Tozzoli* and *Cornelius* do not relate to a computerized forfaiting exchange and teach away from the Examiner's proposed combination.

Applicants note that “[a] prior art reference must be considered in its entirety . . . including portions that would lead away from the claimed invention.” *M.P.E.P. § 2141.02(VI)*, citations omitted. *Tozzoli* and *Cornelius* disclose the disadvantages of conventional international trades using L/Cs, and promote alternatives to forfaiting that eliminate L/Cs or similar instruments. As explained during the interview of June 18, 2008, an L/C or other similar instrument is a form of a payment obligation. As set forth in claims 1 and 8, forfaiting requires “at least one payment obligation.” Accordingly, the objective of *Tozzoli* and *Cornelius* is to eliminate the use of forfaiting and, more specifically, payment obligations. In contrast, the Examiner’s proposed combination would require payment obligations, and obviate the asserted benefits of the *Tozzoli* and *Cornelius*. Since *Tozzoli* and *Cornelius* teach away from the proposed combination, the rejection of claim 1 under 35 U.S.C. § 103(a) is improper because it would not have been obvious to combine *Tozzoli* and *Cornelius* with *Hill*, which relates to forfaiting. Moreover, *Hill* fails to teach or suggest all of the features of claims 1 and 8 and, therefore, does not anticipate or render obvious claims 1 and 8, either alone or when considered in any proper combination with the art of record.

In view of at least the above-noted deficiencies of *Tozzoli* and *Cornelius* and their respective teachings away from the claimed invention, and in view of the deficiencies of *Hill*, the Examiner has neither properly determined the scope and content of the prior art nor properly ascertained the differences between the prior art and the claimed invention. Accordingly, the Examiner has failed to clearly articulate a reason why claims 1 and 8 would have been obvious to one of ordinary skill in view of the prior art. Therefore, a *prima facie* case of obviousness has not been established for independent claims 1 and

8, and the Examiner should withdraw the rejection of the claims under 35 U.S.C. § 103(a). In addition, claims 2-7 and 9 depend from claims 1 and 8, and are thus allowable over *Tozzoli*, *Cornelius*, and *Hill* for at least the same reasons as that presented above for independent claims 1 and 8.

III. New Claims 11-23

By the present amendment, Applicant has added new claims 11-23. As noted above, the new claims are supported by the original disclosure and do not add any prohibited new matter.

Claims 11-23 depend from independent claims 1 and 8, and are thus allowable over *Tozzoli*, *Cornelius*, and *Hill* for at least the same reasons presented above for claims 1 and 8. Accordingly, the Examiner is respectfully requested to enter and allow claims 11-23 with the other pending claims.


CONCLUSION

In view of the foregoing amendments and remarks, Applicant respectfully requests reconsideration of this application and the timely allowance of all of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

FINNEGAN, HENDERSON, FARABOW,
GARRETT & DUNNER, L.L.P.


By: _____

C. Gregory Gramenopoulos
Reg. No. 36,532

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